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May 7, 2013

By ECF

The Honorable John Gleeson
United States District Judge
Eastern District of New York
United States Courthouse
225 Cadman Plaza East
Chambers 727 S
New York, New York 11201

Re: United States v. HSBC Bank USA, N.A. and HSBC Holdings plc,
12 Cr. 763 (JG)

Dear Judge Gleeson:

HSBC Holdings plc and HSBC Bank USA, N.A. ("HBUS," and collectively "HSBC") respectfully submit this letter in response to Liviu Vogel's May 2, 2013 letter to the Court. Mr. Vogel requests that the Court "consider whether the approval of the proposed [deferred] prosecution agreement should be conditioned upon HSBC's payment of some portion of the criminal forfeiture to the thousands of victims of Iranian terrorism," including Mr. Vogel's clients.

Mr. Vogel's letter does not mention the fact that, for the past four months, Mr. Vogel's clients have attempted to hold HBUS liable for the full amount of their \$2.7 billion default judgment (plus interest) against the Islamic Republic of Iran. On April 11, 2013, Chief Judge Royce Lamberth of the U.S. District Court for the District of Columbia rejected Plaintiffs' arguments in full and denied their motion to hold HBUS so liable. *See Peterson v. Islamic Republic of Iran*, --- F. Supp. 2d ---, 2013 WL 1460188, at *3 (D.D.C. Apr. 11, 2013).

On April 25, 2013, Mr. Vogel's clients filed a motion for reconsideration, which remains pending.

HSBC believes that the legal claims of Mr. Vogel's clients are without merit and vigorously disputes them.

Respectfully submitted,

Handwritten signature of David N. Kelley in cursive script.

David N. Kelley
Cahill Gordon & Reindel LLP

Handwritten signature of Samuel W. Seymour in cursive script.

Samuel W. Seymour
Sullivan & Cromwell LLP

cc: Joseph Markel (by ECF)
Craig Timm (by ECF)
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